Nº 50540

APPLICATION FOR PERMIT

TO APPROPRIATE THE PUBLIC WATERS OF THE STATE OF NEVADA

Date of filing in State Engineer's Office JAN 21 1987

Returned to applicant for correction

Corrected application filed

Map filed JAN 21 1987

The applicant Old Galena, Ltd.

P.O. Box 2903 (Street and No. or P.O. Box No.), of Reno (City or Town),

Nevada 89505 (State and Zip Code No.), hereby make application for permission to appropriate the public waters of the State of Nevada, as hereinafter stated. (If applicant is a corporation, give date and place of incorporation; if a copartnership or association, give names of members.) Dean Smith, Rachael J. Smith, Don Ekins, Donn L. Wheeler, Ronald Osborn

1. The source of the proposed appropriation is Underground (Name of stream, lake, spring, underground or other source)

2. The amount of water applied for is 1.0 second-feet (One second-foot equals 448.83 gals. per min.)

   (a) If stored in reservoir give number of acre-feet See "No. 12 Remarks"

3. The water to be used for Fire Protection (Irrigation, power, mining, manufacturing, domestic, or other use. Must limit to one use.)

4. If use is for:

   (a) Irrigation, state number of acres to be irrigated

   (b) Stockwater, state number and kinds of animals to be watered

   (c) Other use (describe fully under "No. 12. Remarks" See "No. 12 Remarks"

   (d) Power:

      (1) Horsepower developed

      (2) Point of return of water to stream

5. The water is to be diverted from its source at the following point within the SW 1/4 of the SE 1/4 of Section 2, Township 17 North, Range 19 East, M.D.B. & M. at a point which bears N 32°53'11"E a distance of 502 feet from the S 1/4 corner of said Section 2. (Describe as being within a 40-acre subdivision of public survey, and by course and distance to a section corner. If on unsurveyed land, it should be so stated.)

6. Place of use within the S 1/2 of the SE 1/4 of Section 2, Township 17 North, Range 19 East, M.D.B. & M. (Describe by legal subdivision. If on unsurveyed land, it should be so stated.)

7. Use will begin about January 1 (Month and Day) and end about December 31 (Month and Day), of each year.

8. Description of proposed works. (Under the provisions of NRS 535.010 you may be required to submit plans and specifications of your diversion or storage works.) Water to be diverted by means of a well, pump and motor into the initial pond which feeds downstream ponds by gravity flow via open channel ditches. (State manner in which water is to be diverted, i.e. diversion structure, ditches and flumes, drilled well with pump and motor, etc.)

9. Estimated cost of works $50,000.00

10. Estimated time required to construct works 3 years
If well completed, describe works.

11. Estimated time required to complete the application of water to beneficial use To be used only as a supplemental source to existing surface water rights.

12. Remarks: For use other than irrigation or stock watering, state number and type of units to be served or annual consumptive use.

See Exhibit "A"

By S/ George W. Ball, Jr.
George W. Ball, Jr. (Cert. #409)
730 Tahoe Street
Reno, NV 89509

Compared jm/se pm/se

Protested

APPROVAL OF STATE ENGINEER

This is to certify that I have examined the foregoing application, and do hereby grant the same, subject to the following limitations and conditions:

This permit is issued subject to existing rights. It is understood that the amount of water herein granted is only a temporary allowance and that the final water right obtained under this permit will be dependent upon the amount of water actually placed to beneficial use. It is also understood that this right must allow for a reasonable lowering of the static water level. This well shall be equipped with a two (2) inch opening for measuring depth to water. If the well is flowing, a valve must be installed and maintained to prevent waste. A totalizing meter must be installed and maintained in the discharge pipeline near the point of diversion and accurate measurements must be kept of water place to beneficial use. The totalizing meter must be installed before any use of water begins, or before the Proof of Completion of Work is filed. This source is located within an area designated by the State Engineer, pursuant to NRS 534.030. The State retains the right to regulate the use of the water herein granted at any and all times.

This Permit does not extend the permittee the right of ingress and egress on public, private or corporate lands.

(CONTINUED ON PAGE 2)

The amount of water to be appropriated shall be limited to the amount which can be applied to beneficial use, and not to exceed 1.0 cubic feet per second

Work must be prosecuted with reasonable diligence and be completed on or before August 26, 1991

Proof of completion of work shall be filed on or before September 26, 1991

Application of water to beneficial use shall be made on or before August 26, 1994

Proof of the application of water to beneficial use shall be filed on or before September 26, 1994

Map in support of proof of beneficial use shall be filed on or before N/A

Completion of work filed APR 9 - 1993

Proof of beneficial use filed DEC 15 1994

Cultural map filed

Certificate No. 14122 Issued JUN 13 1995

IN TESTIMONY WHEREOF, I PETER G. MORROS State Engineer of Nevada, have hereunto set my hand and the seal of my office, this 26th day of August, A.D. 19 88

State Engineer

218 (Rev.)

CANCELLED DEC 16 1991 BECAUSE OF FAILURE OF APPLICANT TO COMPLY WITH THE PROVISIONS OF PERMIT

STATE ENGINEER

Canc. Rescinded 12/8/92, See Ruling #3913

(PERMIT TERMS CONTINUED)

The issuance of this permit does not waive the requirements that the permit holder obtain other permits from State, Federal and local agencies.

This permit is issued under the provisions of NRS 534.120(2) as a preferred use.

No perforations shall be put in the production casing from ground level to 100 feet.

This permit is issued for fire protection purposes only. No application to change the manner of use of this permit will be considered.

EXHIBIT "A"

As mandated by the State of Nevada Division of Forestry, a groundwater source must be provided to maintain a constant water level in the firewater ponds when surface water sources are insufficient or nonexistant. This groundwater source will be used for fire protection purposes only and will be strictly supplemental to existing surface water rights (half of all water rights allowed under Claim No. 648, Truckee River Final Decree in the amount of 0.25 cfs not to exceed 45 acre feet per year) dedicated to Washoe County which are to remain available to support the irrigation, landscaping and fire protection use for water for the subdivision. Currently there are 10 lots under development with two 10,000 gallon (minimum) firewater storage reservoirs. Ultimately there will be 36 lots with a total of six 10,000 gallon firewater storage reservoirs for a total storage of approximately 0.20 acre feet. The amount of water applied for takes into consideration evaporative losses of approximately 3.33 feet (40 inches) per year over a reservoir surface area of 1,200 square feet.

The diversion rate applied for (1.0 cfs) does not relate to the actual anticipated annual duty but provides for filling of the firewater storage reservoirs within a reasonable period of time. Example calculations of duty and diversion are as follows:

(1) Annual Duty

(A) Evaporation
Assumptions: (a) Annual lake evaporation is 40 inches per year.
(b) Reservoirs and ditches are lined.

$(3.33\ ft/yr)(1200\ ft^2/res)(6\ res)(acre/43{,}560\ ft^2)$
$= 0.550$ acre-feet/year

(B) Fire Protection
Assumptions: (a) Two residential fires occur in one year
(b) Fire flows are approximately 1000 gpm for a two hour duration.

$(1000\ gal/min)(120\ min/fire)(2\ fires/yr)(ft^3/7.48\ gal)(acre/43{,}560\ ft^2)$
$= 0.737$ acre-feet/year

Total Annual Duty = 0.550 + 0.737 = 1.287 acre-feet/year

(2) Diversion Rate (annualized)

$(1.297\ a\text{-}f/yr)(43{,}560\ ft^2/acre)(yr/31{,}536{,}000\ sec)$
$= 0.00178$ cfs